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Reserve

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.
July 2, 1941

ECR-ADM-673
Supplement 2

MEMORANDUM FOR STATE EXECUTIVE OFFICERS
East Central Region

Several questions have been raised concerning marketing quota provisions with respect to wheat. The following will supplement information contained in the form Wheat-507, "Wheat Marketing Quota Regulations" and previous memoranda.

- Q. How may a producer who has a marketing quota excess satisfy the penalty for such excess so as to obtain a marketing card?
- A. The producer may satisfy the marketing quota penalty by carrying out any of the following:
- (a) He may pay in cash the penalty of 49 cents per bushel of the farm marketing excess.
 - (b) He may deposit with the county committee funds equivalent to (a) above to be held in escrow. Such funds are recoverable if and when the county committee determines the acreage of wheat planted for harvest in 1942 has been reduced below the 1942 farm wheat acreage allotment by an amount equal to the 1941 excess acreage. Partial recovery may be made if the county committee determines that the actual yield for the farm in 1941 is less than the normal yield. The amount of penalty that may be recovered is an amount equivalent to the penalty paid on the number of bushels by which the county committee determines the actual yield in 1941 per acre is less than the normal yield determined for the farm for each acre of the excess.
 - (c) The number of bushels equivalent to the farm excess may be stored.
 - 1. Store in a mill or elevator and deposit a negotiable or non-negotiable warehouse receipt with the county committee. The county committee and the producer jointly notify the mill or elevator that such wheat is to be held subject to the direction of the county committee. The county committee will keep such warehouse receipt in a safe place.
 - 2. He may store an amount equivalent to his excess wheat on his farm provided he gives acceptable bond as defined in the regulations to secure the payment of penalty.
 - 3. He may obtain a loan at 60 percent of the regular rate provided the wheat is stored in such a manner acceptable for Commodity Credit Corporation loans and one of the following conditions is met:

THE HISTORY OF THE UNITED STATES OF AMERICA
FROM 1776 TO 1876

CHAPTER I

THE FOUNDING OF THE NATION

The first step in the formation of the United States was the signing of the Declaration of Independence in 1776. This document declared the colonies' independence from Great Britain and established the principles of the new nation.

The next step was the signing of the Constitution in 1787. This document established the framework of the federal government and the rights of the states.

The final step was the signing of the Bill of Rights in 1791. This document guaranteed the basic rights of the citizens and limited the power of the government.

The early years of the nation were marked by a period of rapid growth and expansion. The population increased from about 2.5 million in 1776 to over 10 million by 1800. The territory of the United States grew from 13 colonies to 31 states. The economy expanded as new industries and trade routes were developed. The federal government established a system of public lands and a network of roads and canals. The nation's foreign policy was based on the principle of non-interference in the affairs of other nations. The United States sought to maintain a balance of power in the world and to protect its interests in the Americas.

The early years of the nation were also marked by a period of conflict and controversy. The Revolutionary War (1775-1783) was a struggle for independence from Great Britain. The War of 1812 (1812-1815) was a conflict with Great Britain over trade and territorial issues. The Civil War (1861-1865) was a struggle over the issue of slavery. These conflicts shaped the nation's identity and its role in the world. The Civil War, in particular, was a turning point in the nation's history, as it established the principle of federal supremacy and the right of the federal government to enforce the laws of the Constitution.

- a. He deposits with Treasurer of county committee bond acceptable under regulations to secure payment of penalty.
- b. Deposits with Treasurer of county committee funds in payment of penalty or to be held in escrow as producer elects.
- c. Names Treasurer of the United States, care of county committee of county where farm is located as payee in loan documents for amount of penalty; such amount to be used in payment of penalty or to be held in escrow as producer elects, or
- d. Deposits with treasurer of county committee additional warehouse receipts to be held in escrow covering an additional amount of wheat equal to the marketing quota excess.

Note: Producers not requesting loans who desire to secure the penalty by storing wheat need store only the marketing quota excess disregarding the amount indicated under "d." above.

- Q. What precautions should a flour mill operator take in buying wheat?
- A. Wheat from all producers should be identified by either a wheat marketing quota card (form Wheat-511) a certificate that a marketing card has been issued (form Wheat-511-A) or an intermediate buyer's report (form Wheat-521).

Car-shipped wheat when purchased from a person or firm known to be a grain buyer need not be accompanied by any documents. However, if the mill operator has reason to question whether or not the penalty is paid, a statement may be required from the seller that the penalty has or has not been paid before the full purchase price is paid.

If the wheat is purchased through a commission merchant or brokerage firm, such wheat should be accompanied by a certificate that a marketing card has been issued (form Wheat-511-A) or an intermediate buyer's report (form Wheat-521) and the mill may require the commission man or broker to furnish information as to whom the commission man or broker represented in the sale of the wheat and whether or not the penalty was paid or secured, or that the wheat was free from penalty before the full purchase price is paid.

- Q. What records should be kept by millers?
- A. The mill operator should, for his own protection and to meet the

requirements set forth in the wheat marketing quota regulations, keep a record as prescribed in the regulations by use of form Wheat-520, "Report of Wheat Purchased or Acquired from Producers or Intermediate Buyers" on all purchases of wheat.

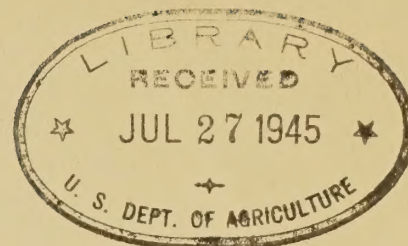
Q. What inspection should be made of penalty wheat stored?

A. It is not necessary that wheat stored be inspected if warehouse receipts are deposited with the treasurer of the county committee. If a bond of indemnity is accepted or funds are deposited in escrow, to secure the penalty on farm stored wheat, a representative of the county committee shall, within a reasonable time after the bond or funds are accepted, inspect the amount of wheat stored on the farm to determine that not less than the number of bushels secured by the bond or funds have been stored. The wheat stored shall be inspected thereafter at any time when the county committee has reason to believe that the amount stored has been depleted.

(Signed)

Chas. D. Lewis
Acting Director
East Central Division

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Reserve

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.
July 3, 1941

ECR-ADM-673
Supplement 3

MEMORANDUM FOR STATE AND COUNTY OFFICES
East Central Region

Re: Procedure for handling remittances made in
connection with wheat marketing quota penalties.

COUNTY OFFICE INSTRUCTIONS

All remittances received by the treasurer of the county committee in connection with penalties for wheat shall be schedule on Form Wheat-529, Schedule of Remittances-Wheat Marketing Quotas, and transmitted to the State Office on the day received, or not later than the morning of the next succeeding day. All remittances so scheduled should be in the form of a check, draft, or money order payable to the Treasurer of the United States.

Form Wheat-529 should be prepared as follows:

1. In the spaces provided in the upper right-hand corner of the form enter (a) the transmittal number, beginning with 1 for the first schedule and continuing thereafter in numerical sequence for the marketing year, (b) the State and county code number, (c) the sheet number and total number of sheets in the schedule, and (d) the marketing year, that is, "1941-42."
2. In columns 1, 3, 5, and 7 enter the printed serial numbers of the Forms Wheat-517 in numerical sequence.
3. In columns 2, 4, 6, and 8, opposite the respective serial number of Form Wheat-517, enter the amount covered by each Form Wheat-517.
4. In the space provided in the lower right-hand corner enter the total of the remittances included on the schedule.
5. The treasurer of the county agricultural conservation committee, after determining that the total shown is in agreement with the sum of the remittances and that on each Form Wheat-517 the words "as security for payment of the penalty" or "in payment of the penalty" have been deleted, shall execute Part I of Form Wheat-529 by signing his name on the original and two copies and entering thereon the date of his signature.

If any Form Wheat-517 is voided it should be listed on Form Wheat-529 and forwarded to the State office in order that all receipts will be accounted for. The entry in the column headed "Amount" for any voided Form Wheat-517 shall be the word "voided." The original and the first carbon (yellow) copy of Form Wheat-529 shall be forwarded to the State office together with checks, drafts, money orders, and the yellow copies of the Forms Wheat-517 which are listed thereon. The second carbon copy of Form Wheat-529 (salmon) shall be retained in the county office in a pending file. The original Form Wheat-529 will be returned to the county office as a receipt from the Examining Section through the State office and shall be filed in a folder in the numerical order of the transmittal numbers. The salmon copy will then be filed with the copies of Form Wheat-517 listed thereon.

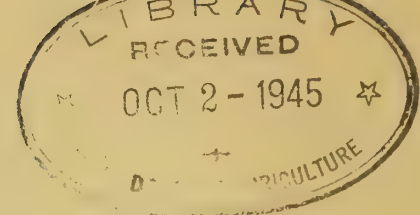
All funds received in the county office with respect to wheat marketing quotas shall be recorded on Form No. MQ-1, Record of Cash Receipts and Disbursements, as follows:

1. Enter in the heading of the form "1941-42" as the marketing year.
2. Enter in the space provided below the heading of the form the name of the treasurer of the association and the name of the county and State.
3. Enter in the space provided in the upper right-hand corner the State and county code numbers.
4. For all funds received in escrow to secure the payment of a penalty (a) enter in column 1 the date on which the funds were received as indicated by the date on Form Wheat-517, (b) in column 2 enter the printed serial number on Form Wheat-517, (c) in column 3 enter the serial number of the farm, (d) in column 4 enter the amount of the funds received as shown on Form Wheat-517, (e) in column 5 enter the transmittal number of the Form Wheat-529 on which the funds were transmitted to the State office (These numbers should be entered in sequence).
5. For all funds received in payment of the penalty (a) in column 10 enter the date on which the funds were received as indicated by the date on Form Wheat-517, (b) make no entry in column 11, (c) in column 12 enter the printed serial number on Form Wheat-517 (If Form Wheat-517 covers remittances for more than one farm the serial number need be entered only once), (d) in column 13 enter on separate lines the farm serial number for each farm as shown on Form Wheat-517, (e) in column 14, opposite the respective farm serial number, enter

the amount received for each farm as shown on Form Wheat-517, (f) in column 15 enter the transmittal number of the Form Wheat-529 on which the funds were transmitted to the State office, (g) if information is received to the effect that any check, draft, or money order which has been listed in columns 10-15 of Form No. MQ-1 was not honored when presented for payment a contra-entry in red duplicating the information previously entered relative to the remittance which was not honored should be made in columns 10 through 15. If a contra-entry in red is made the total of amounts received shown in column 14 of Form No. MQ-1 shall be the sum of the regular entries thereon minus the sum of the contra-entries.

Note: Instructions relative to refunds and transfers of funds received as security for the payment of penalty or in payment of penalty will be issued at an early date.

(Signed)
Chas. D. Lewis
Acting Director
East Central Division

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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
Washington, D. C.
July 23, 1941

ECR-ADM-673
Supplement 5

MEMORANDUM FOR EXECUTIVE ASSISTANTS
East Central Region

Re: Delivery of Wheat to the Secretary of Agriculture
to avoid the Payment of the Penalty

The following instructions should be observed in carrying out the provisions of section 709 of the Wheat marketing quota regulations (Wheat 507) in cases where producers elect to deliver wheat to the Secretary of Agriculture to avoid the payment of marketing penalties:

1. Amount of wheat which may be delivered. The producers on a farm may deliver any portion or all of the farm marketing excess and the payment of the penalty on that portion which is delivered will be avoided. The penalty must be paid, however, on that portion of the farm marketing excess which is not delivered and which is not stored.

If the farm marketing excess has not been adjusted at the time of delivery, the initial farm marketing excess will be used in determining the maximum of wheat to be delivered. If the farm marketing excess has been adjusted at the time of delivery, the adjusted farm marketing excess will be used in determining the maximum amount of wheat to be delivered. It is of the greatest importance that the county committee explain to each producer who tenders wheat for delivery to the Secretary of Agriculture that none of the wheat delivered will be returned to the producer. This rule will be followed even though the farm marketing excess is reduced subsequently, the amount delivered is in error, or it subsequently develops that no farm marketing excess should have been established for the farm.

The number of bushels of wheat of the farm marketing excess on which the penalty will be avoided will be the number of bushels actually delivered. The value of the wheat will not be considered. For example, if the farm marketing excess is 100 bushels, the producer may avoid the penalty by delivering 100 bushels even though the market value of the wheat delivered was less than the penalty of \$49 which would otherwise be incurred. Likewise, the delivery of a number of bushels of wheat of a market value of \$49 will not be sufficient. In that event, the penalty would be avoided only on the number of bushels actually delivered.

2. When wheat may be delivered. Wheat may be delivered in order to avoid the payment of the penalty at any time within 60 calendar days next succeeding the day on which the threshing of wheat produced on the farm is completed, or by December 31, 1941, whichever is the earlier. The amount of any penalty paid on that portion of the farm marketing excess which is delivered will be refunded and the amount of wheat stored to postpone the payment of the penalty may be depleted without penalty to the extent of the amount of wheat delivered.

3. Producers eligible to deliver wheat. Any producer on the farm may deliver wheat to avoid the payment of the penalty or the producers on the farm may act jointly in delivering the wheat. The amount of wheat which is delivered, whether the wheat is delivered by one producer or all producers jointly, in connection with a farm will be credited to the farm for the purposes of issuing marketing cards and paying the penalty. For example, if one producer delivers an amount from his share of the wheat produced on the farm equal to the farm marketing excess, marketing cards could be issued with respect to the farm to all producers entitled to share in the wheat crop produced thereon and no penalty would be required to be paid in connection with the farm. If the farm marketing excess for the farm were 200 bushels and one producer delivered 100 bushels, marketing cards could not be issued with respect to the farm until the remaining 100 bushels were stored or delivered to the Secretary of Agriculture or the penalty thereon was paid. The producer who delivered the 100 bushels and the producers who did not deliver would each be liable to pay the penalty of \$49 on the 100 bushels of the farm marketing excess which is not stored or delivered (see Sec. 703(b) of Wheat 507).

4. Wheat eligible to be delivered. Any wheat of the 1941 crop which was produced on the farm may be delivered. The grade or quality of the wheat or its market value will not be considered for this purpose. A mixture consisting of wheat and other grains or legumes produced on an acreage classified as an acreage of wheat may be delivered. Any wheat purchased by the producer is ineligible for delivery to avoid the payment of the penalty. The producers who deliver the wheat are required to show that the wheat is free from all liens and incumbrances and that they are the lawful owners of the wheat. While the county committee is not required to conduct any investigation to determine the facts in this connection, the producer should be advised of the requirements so that he may free the wheat from any lien or incumbrance before delivering it.

5. Conditions of delivery in order to avoid the payment of the penalty. In order to accomplish the delivery of wheat to the Secretary of Agriculture, the producer must comply with one of the following conditions:

- a. Deliver the wheat to an elevator or warehouse and tender to the treasurer of the county committee the elevator or warehouse receipts for the amount of wheat to be delivered.
- b. In the event the wheat to be delivered will not be accepted by an elevator or warehouse for the purpose of issuing an elevator or warehouse receipt, the producer must establish this fact to the satisfaction of the county committee and deliver the wheat at some point within or near the county designated by the county committee within the time fixed by the county committee for the acceptance of the wheat.

6. Delivery of elevator or warehouse receipts. The treasurer of the county committee may accept negotiable or non-negotiable elevator or warehouse receipts. The producer or producers who tender the elevator or warehouse receipts shall execute form Wheat 522 in triplicate at the time the elevator or warehouse receipts are tendered. A separate form Wheat 522 shall be executed for each elevator or warehouse receipt. Form Wheat 522 shall be executed as follows:

- a. In the first paragraph, following the words "and interest in and to", the number of bushels covered by the elevator or warehouse receipt shall be entered.
- b. In the first paragraph, following the words "and farm serial number", the State and county code and farm serial number for the farm for which the wheat is being delivered shall be entered.
- c. The description of the elevator or warehouse receipt shall be entered in the spaces provided in the second paragraph.
- d. The date on which the form was executed and the place at which it was executed shall be entered in the spaces provided in the last paragraph.
- e. Each producer having an interest in the wheat covered by the elevator or warehouse receipt shall sign the form in the space provided for the signature of principal and enter his address.
- f. The execution of the form must take place in the presence of two witnesses who shall sign their names and enter their addresses in the spaces provided.
- g. The second copy of the executed form shall be delivered to the producer or producers and the original and first copy shall be retained by the treasurer of the county committee. If more than one producer has an interest in the wheat delivered, additional copies of the form may be prepared so that a copy may be available for each producer who wants one.

7. Disposition of elevator or warehouse receipts and forms Wheat 522. The second copy of Form Wheat 522 shall be retained by the treasurer of the county committee as a record of the fact that the penalty for the farm has been avoided on that number of bushels of the farm marketing excess which have been delivered to the Secretary of Agriculture. The elevator or warehouse receipt should be securely fastened to the original of form Wheat 522. The original of Form Wheat 522 and the elevator or warehouse receipt shall be mailed to the State Office not later than noon of the

business day next succeeding the day on which the form Wheat 522 was executed and the elevator or warehouse receipt covered thereby was received. The forms Wheat 522 and the elevator or warehouse receipts covered thereby which are forwarded to the State Office shall be accompanied by a letter describing them and giving the State and county code number and serial numbers of the farms in connection with which the wheat was delivered. The State Office shall acknowledge the receipt of the forms and the elevator or warehouse receipts. The State Office shall transmit the form Wheat 522 and accompanying documents to the Special Representative of the Commodity Credit Corporation for the particular area.

8. Delivery of wheat for which the producer is unable to obtain an elevator or warehouse receipt. If there are producers in a county who desire to deliver wheat to the Secretary of Agriculture and who are unable to deliver it to an elevator or warehouse and obtain elevator or warehouse receipts therefor because of the condition of the wheat, its low grade and quality, or for other reasons, the county committee should attempt to determine (1) the probable number of producers in the county who are so situated, and (2) the probable quantity of such wheat which will be delivered. If it is indicated that there will be a sufficient quantity to load one or more cars of the wheat, the county committee should arrange for the necessary number of freight cars. The county committee should also make arrangements, if possible, with one or more elevators in the county which are conveniently located to receive the wheat and load the cars. So far as possible such elevators should be limited to those which have executed the Uniform Grain Storage Agreement. If it is not possible to arrange for an elevator to receive and load the wheat, the producer who delivers the wheat will be required to transfer the wheat from his wagon or truck directly into the freight car. If it is indicated that there will not be a sufficient quantity of the wheat to substantially fill a car, the county committee should communicate with county committees for adjoining counties to see whether it would be possible for the county committee to arrange for a car at some centrally located point which could be used for receiving wheat grown in the respective counties. This procedure should be followed only in the event that it will not cause any of the producers to haul their wheat an unreasonable distance.

Excess wheat delivered to the Secretary, through the county committee, insofar as practicable shall be consigned to the Commodity Credit Corporation if such wheat, in the opinion of the county committee, may be conditioned and stored by shipment to elevators with drying equipment. The county committee shall telephone or telegraph the Special Representative of the Commodity Credit Corporation for the particular area for instructions as to the place to which the wheat is to be consigned. The Commodity Credit Corporation will pay all charges incident to the storage, handling, transportation, and conditioning of such wheat. Any wheat which it is impracticable to deliver to the Commodity Credit Corporation shall be distributed to such one or more of the following classes of agencies or organizations as the State Committee selects: Farm Security Administration for use of its needy clients, any other Federal relief organization, the American Red Cross, State or county or municipal relief organizations, or

Federal or State wildlife refuge projects. Wheat delivered to any agency other than the Commodity Credit Corporation will be upon the condition that the agency shall pay all charges which have accrued against the wheat. Whenever the delivery point has been determined, the county committee should give public notice of the fact at least three days prior to the time the car will be available. The notice should state the place of delivery, the date on which the car will be available, the number of days the car will be available, and the name of the elevator or elevators with which arrangements have been made to receive and load the wheat.

The county committee should arrange for as many cars on as many different dates as may be necessary, in view of local conditions, to accommodate the producers who desire to deliver wheat to the Secretary of Agriculture under these circumstances. The arrangement should be made so as to avoid demurrage charges or to keep them at as low a level as possible and in no case should a car be held for a period in excess of five days. The shipping charges will be paid by the Commodity Credit Corporation. Any charges made by the elevator for receiving and loading the wheat will likewise be paid by the Commodity Credit Corporation and the elevator operator should be instructed to present his bill for such charges to it.

If it is not practical to arrange for a car in which to load the wheat because the quantity of such wheat is too small, the county committee should obtain from the State Committee the name of a local agency or organization which the State Committee has designated to receive and dispose of the wheat. In that event the producer or producers who desire to deliver the wheat should be instructed to deliver it directly to the designated agency.

9. Execution and disposition of form Wheat 522. The producer or producers who deliver wheat under the conditions outlined in item 8 above shall execute form Wheat 522 in connection with the amount of wheat so delivered in the manner outlined in item 6 above, with the exception that the second paragraph of the form which is provided for describing the elevator or warehouse receipt shall be deleted. The original and copies in item 7 above, with the exception that the letter of transmittal for forms Wheat 522 which cover wheat consigned to the Commodity Credit Corporation shall state, in addition to the number of cars loaded, the point of loading and destination, the date on which the car is expected to reach its destination, and the name of the railroad. The bill of lading should accompany the forms Wheat 522 and there should be entered on each form Wheat 522 a notation referring to the bill of lading for the wheat covered by the form Wheat 522. The State Office shall transmit the form Wheat 522 and accompanying documents to the Special Representative of the Commodity Credit Corporation for the particular area.

/s/
W. G. Finn
Director, East Central Division

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION

AGRICULTURAL CONSERVATION PROGRAM

Lexington, Kentucky

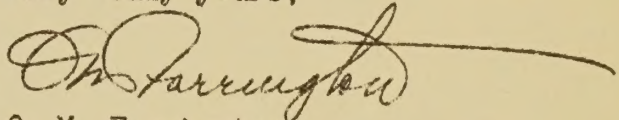
August 5, 1941

To County Chairmen, County Agents and Secretaries:

Enclosed find a copy of ECR-ADM-673, Supplement 5, which contains complete instructions regarding the "Delivery of Wheat to the Secretary of Agriculture to Avoid the Payment of the Penalty".

In the second paragraph of Part 8 of these instructions the county committee is instructed to phone or telegraph the Special Representative of Commodity Credit Corporation for shipping instructions if, and when, they have a carload of wheat of satisfactory quality to be delivered. Please note that in this event the county office should contact Mr. Allen T. Sawyer, Regional Manager, Commodity Credit Corporation at their new address, 208 South LaSalle Street, Chicago, Illinois. Telephone number Randolph 7450.

Very truly yours,



O. M. Farrington

Agricultural Adjustment Administration

Enclosure

THE HISTORY OF THE

REIGN OF

CHARLES THE FIRST

BY

JOHN BURNET

In the year 1625, Charles the first, who was then a young man, was crowned king of England. He was a very brave and valiant prince, and he was very much beloved by his people. He was a very good king, and he was a very wise king. He was a very brave king, and he was a very valiant king. He was a very good king, and he was a very wise king. He was a very brave king, and he was a very valiant king. He was a very good king, and he was a very wise king.

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